DEPARTMENT OF THE ARMY



HEADQUARTERS, UNITED STATES ARMY FORCES COMMAND FORT MCPHERSON, GEORGIA 30330-6000

REPLY TO ATTENTION OF

AFLG-PRO

13 May 1999

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Contracting Information Letter (CIL) 99-23, Assistant Secretary of the Army Memorandum, Past Performance Information, dated 8 May 1999

- 1. Reference enclosed Assistant Secretary of the Army Memorandum, Past Performance Information, dated 8 May 1999, SAB.
- 2. The evaluation of contractor past performance is one of the most important tools supporting Army efforts to acquire best value. It should be a significant evaluation criterion in most source selections and is fast becoming a key discriminator in the source selection process.
- 3. FORSCOM is very pro-active and will continue to be in the implementation of PPIMS. Our last report from DA, showed a total of 100 records in source selection (64 of these from FORSCOM) and more than 550 in process. Request you encourage your people to input their contracts timely.
- 4. The General Accounting Office has consistently sustained source selection decisions based on use of relevant and current past performance information (PPI) and, as confidence in use of PPI increases, it may become the dominant discriminator in many acquisitions.
- 5. For additional information, please contact Irene Hamm hammi@forscom.army.mil or 404/464-5632.

Encl

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DEPARTMENT OF THE ARMY

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REPLY TO ATTENTION OF

SAAL-PI

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Past Performance Information

The evaluation of contractor past performance is one of the most important tools supporting Army efforts to acquire best value. It should be a significant evaluation criterion in most source selections and is evolving into a key discriminator in the source selection process. The General Accounting Office has consistently sustained source selection decisions based on use of relevant and current past performance information (PPI) and, as confidence in use of PPI increases, it may become the dominant discriminator in many acquisitions.

However, the evaluation of past performance can be useful only if the information being evaluated is current and relevant. To take maximum advantage of PPI, it is imperative that the Army document contractor performance for all contracts meeting the thresholds established by the Under Secretary of Defense (Acquisition and Technology) and published at paragraph 42.1502-90(a) of the Army Federal Acquisition Regulation Supplement (AFARS). Assessing officials (contracting officers or program managers) must prepare contractor performance assessment reports on a timely basis and in sufficient detail to fully and accurately capture the quantitative and qualitative aspects of contractor performance. Procedures and guidance are published in AFARS Subpart 42.15.

While documentation of contractor performance directly benefits future source selections, it also benefits on-going contracts by fostering regular communications between the assessing official and the contractor on performance during the assessment period. Government feedback, and the knowledge that the Government will use PPI in future source selections, will result in improved performance and greater contractor focus on customer satisfaction.

The Army developed the Past Performance Information Management System (PPIMS) to facilitate documentation and sharing of contractor PPI. The utility of PPIMS is only as good as the information it contains. Consequently, I solicit your support in ensuring that performance assessment reports are completed and entered into PPIMS

in a timely manner. These reports must be of the highest quality to engender reliance on them in source selection decision-making across the spectrum of Department of Defense acquisition officials who use them.

I have asked Dr. Ken Oscar, the Deputy Assistant Secretary of the Army (Procurement), to monitor our compliance with Federal and the Office of Secretary of Defense policies on the collection of PPI and to provide me with regular updates as to our progress. He may contact you personally to discuss your organization's progress.

Paul J. Hoeper

Assistant Secretary of the Army (Acquisition, Logistics and Technology)